

**EMF SITE REDEVELOPMENT  
BRIEF SHEET**

**BY CALVIN HOGGARD  
AIRPORT MANAGER**

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The Electronic Manufacturing Facility (EMF) Site is part of the Boeing Airplane Company 75-year leasehold at King County International Airport. The size of the site is about 250,000 square feet. It has not been actively used by the Boeing Company for several years. The EMF Building is obsolete and therefore not useful for anything but storage. The site is unproductive for the Airplane Company and does not contribute to the Airport's mission of serving the community and supporting the community's economy. At the same time the Airport is "land poor" and needs more aircraft ramp parking space.

The EMF site was used for aircraft production in World War II. It is somewhat contaminated with chemicals in the ground. Boeing has already completed some clean up and is presently under no requirement to do more. It is expected that redevelopment of the site will likely trigger further clean up expenses. Boeing estimates additional clean up costs for the site at about \$2 to \$4 million. Boeing fully accepts the responsibility for this clean up and intends to one day conduct the work. So far it has been less expensive for Boeing to pay rent than to do redevelopment and trigger the clean up. Consequently, the site remains unproductive and unused in the face of unmet demand for more space.

King County International Airport (KCIA) occupies only about 615 acres yet is among the busiest airports in the nation in terms of aircraft operations. In comparison to other airports KCIA is land-poor. The Airport often finds itself in the position of juggling aircraft parking slots, turning away interested businesses or denying current operators' desires to expand operations due to the lack of aircraft space. For example, the Airport currently has an inventory of only two slots large enough to accommodate large 747 or C-5 size aircraft in the public ramp area. One of these two slots can only be used if Airborne Express is asked to temporarily relocate to another inconvenient area. This often occurs in order to accommodate visiting heads of state or other operations.

The Airport is experiencing growing demand for the limited public ramp capacity. For example, UPS, one of the Airport's premier businesses, largely operates in public ramp areas on a "first come, first served" basis. This is a tenuous and undesirable arrangement for UPS because it is potentially disruptive to their operation. Their operations are important to many important King County businesses. Furthermore, UPS projects continuing growth in its needs. UPS, and for that matter cargo operators, are not alone. Many other markets served by the airport would like to obtain more space. The EMF site, if cleared, could accommodate up to six to eight 757 size aircraft.

In the face of this need for space; in keeping with the County's efforts to stimulate economic development and to redevelop underutilized industrial lands; and, to get the site cleaned up, the Airport encouraged Boeing to return the EMF site to productive use. The Airport's lease with Boeing specifies that the EMF building be returned to the Airport at the end of the lease term. We therefore suggested to Boeing that the Airport would be willing to remove the obsolete EMF building in order to allow the ground under the building to be cleaned up if Boeing offered to return a clean site for redevelopment. This has induced Boeing to prepare a proposal to assign the lease for the EMF site. Boeing has sought the Airport's cooperation to prepare their offering of the site to the marketplace. KCIA is in the process of identifying our requirements to be included in Boeings offer. The end of June has been set as a target date by Boeing to complete preparation of their EMF lease assignment offering.

The Airport will seek an appropriation of up to approximately \$2 million in order to remove the EMF building from the site and to continue to encourage Boeing to proceed with the assignment. Facilities Management is in the process of developing a detailed demolition cost estimate. In addition the Airport would like to offer the adjoining south end of the Arrivals Building which is also underutilized if a respondent to the Boeing assignment can utilize that facility.

#### **DIRECTION SOUGHT:**

1. Is there continued support from the Executive and Council to proceed with getting the EMF site cleaned up and returning the EMF site to productive use?
2. Should the Airport proceed with preparation of the appropriation request of up to about \$2 million for removal of the building?
3. If so, should the Airport proceed right away with a supplemental CIP budget request or wait for the 1996 Budget process?
4. Should the Airport continue to encourage the Boeing lease assignment or ask Boeing to wait for the completion of the Airport Master Planning effort? (Both options carry some risks.)
5. What guidelines should the Airport suggest be included in the Boeing assignment offering?

#### **RECOMMENDATION:**

The Airport recommends that we continue to encourage the effort to redevelop the EMF site as soon as possible and that the County appropriate the funds necessary to remove the building as soon as possible. Attached is a current drawing of the EMF Site and a draft outline of Airport suggested guidelines for the lease assignment.